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Sent: Tuesday, October 25, 2005 11:48 AM
To: ATR-Real Estate Workshop
Cc: FTCDOJworkshop@realtors.org
Subject: Real Estate Broker Competition

To Whom It May Concern;

It seems that The Blue and The Gray on opposite sides of the issue can only see the competing warriors and have all forgotten whom the battle was supposed to be fought for, the citizens.

The NAR wants no competition outside of their club members and hence force every practicing broker to pay substantial fees to them and be shackled by their policies and procedures, thus keeping them as one of the largest, if not "the" largest trade organization in the country. Ask the rank and file agent or broker, and you will repeatedly hear complaints of the "tail" wagging the "dog".

The pirates and pillagers on the other side feel that anyone with a computer and a cell phone should be able to practice real estate services and reap "service fees". We wouldn't want to call their compensation a commission or it might run afoul of some specific language in a state licensing law.

As an award winning real estate instructor and author and also a practicing broker, for decades I have taught new real estate licensees that the reason they were sitting in a required pre-licensing course was that our legislature had enacted laws regarding minimal qualifications and standards of practice "For The Protection Of The Public".

There are typically over 200 steps involved in a residential real estate transaction and an inexperienced member of the public simply does not have the knowledge and expertise to wade through all of them with skill, care, and diligence. The discount and no service companies that would lead the consumer to believe that they can do most, if not all of these steps on their own, are seriously misrepresenting the facts.

The real estate "profession" did not evolve simply because they created an MLS. Most reasonably educated people don't try to do their own dental work, set their own broken bones, formulate their own medications, file their own lawsuits, etc.

And most reasonably educated people can look at the statistics and the "bottom line" and quickly discover that in their real estate transactions they will save more time, have a less stressful experience, and "net" more money at the end of the day by using a trained, educated, licensed and regulated, professional versus an unknown entity at the other end of a computer terminal, offering a "cheap" price.

I would pose a question to the committee. If your child or your elderly parent were to need major surgery, would you advise them to shop the Internet for

the cheapest surgeon?

What if the Internet surgeon suggested that it would be a "limited services" operation, but would not define exactly what services would or would not be included, only that you might have to perform some of the services yourself. Hmmm! Would that be anesthetic, suture removal, analysis of the lab reports on tissue biopsy? Don't worry, if you're having any trouble, you can log on to your computer and chat with a tech support person, half a world away who may be able to "assist" you.

For most consumers their real estate transaction is the largest, and most important financial transaction of their lifetime. If it's OK to let the carnival barker, flim flam man, clever card trick, types prey on the consumer, then make it an even playing field and remove all real estate licensing and regulation nationwide. If that doesn't seem to be the right direction, then level it the other way. Make the no service discount, "let's make a deal" companies get fully licensed, open up real offices that cost real money to operate and maintain, perform real services with live people that expect to be paid real money when they work. Make them become fully licensed, insured, and bonded, if necessary. Make them accountable. Crack down on the false and misleading advertising. (We actually have a person in our area who advertises that she was "voted #1" by an independent lab). Closer examination of the fine print elsewhere in her ad reveals that it is her black Labrador.

I don't envy your task. Thank you for your efforts.

Sincerely,

J Scott Jones GRI reMBA RECS
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Florida law designates all real estate licensees as professionals.
The Florida Courts, The Division of Real Estate, and The Division of
Administrative Hearings have
designated J Scott Jones as an "Expert". Doesn't your transaction deserve an
"Expert"?